



ARTS

CULINARY

# DOWNTOWN DASHBOARD

BUSINESS

RESIDENTIAL

ENTERTAINMENT

2014



# TABLE OF CONTENTS



Introduction Letter..... 3

Downtown Rogers Team ..... 4

About the Downtown Dashboard ..... 4

Downtown Master Plan ..... 5

Municipal Investment (2005-2013) ..... 6

Downtown Retail Market ..... 8

Downtown Office Market..... 9

Downtown Residential Market..... 10

Culinary & Restaurants ..... 12



## Welcome Letter

This is an exciting time for Northwest Arkansas and the City of Rogers! We are emerging from the recent recession with more opportunities than ever before. There is an excitement in the air and we are very encouraged about what the future holds for Downtown Rogers. Opportunities abound in retail, commercial, residential, and in the culinary scene. This dashboard gives a quick look at where Downtown Rogers currently is and gives a projection of where we are headed, which by the way looks very promising. We appreciate the help of the Dashboard Team and the Northwest Arkansas Council in producing this tool to help us and others see “where possible lives.”

- Greg Hines, Mayor of Rogers



# DOWNTOWN ROGERS PLANNING STAFF

## City Leadership

C. Greg Hines, Mayor  
Mark Kruger, Alderman

## Rogers City Staff

Steve Glass  
David Hook  
Lance Jobe  
Kelsey Kreher  
Derrell Smith

## Civic Partners

Rogers/Lowell Chamber of Commerce  
Visit Rogers  
Main Street Rogers

## About the Downtown Dashboard

A project of Rogers Arkansas, the Downtown Dashboard contributors include: Rogers Arkansas, Collateral Valuation Consultants of Arkansas, Newmark Grubb Arkansas, and the Northwest Arkansas Council.

Information included in this report comes from Arvest Bank and their Skyline Report, the U.S Census Bureau, Customer Expenditure Survey, Census of Retail Trade, U.S. Bureau of Labor and Statistics and Nielson RMP, among others. Design was provided by Greg Moore, and the template was provided by Daniel Hintz of The Velocity Group and Paul Esterer of NGKF.

## About the Downtown Dashboard Research Team

Newmark Grubb Arkansas partnered with the research team of Collateral Valuation Consultants of Arkansas in providing data for this Dashboard. Newmark Grubb Arkansas is a locally owned,

full service commercial real estate firm with offices in downtown Bentonville and downtown North Little Rock. Paul Esterer, principal and co-founder of Newmark Grubb Arkansas and Vanadis 3 Companies, has been active in downtown Bentonville and the State of Arkansas in place making economic development and real estate advisory work.

Newmark Grubb Knight Frank (NGKF) is one of the nation's best-known commercial real estate brands. Headquartered in New York, Newmark Grubb Knight Frank and London based partner Knight Frank operate from more than 300 offices in established and emerging property markets on five continents. They also advise properties worldwide.

To read more about the Newmark Grubb Knight Frank brand, please visit [www.ngkf.com](http://www.ngkf.com).

Collateral Valuation Consultants of Arkansas is a provider of real estate valuation services. Since the bursting of the US housing bubble in 2006 and resulting Financial Crisis of 2008, a number of regulations were passed down to financial institutions in an attempt to strengthen their collateral valuation programs. A by-product of these regulations has been increased costs of doing business and the financial burden of staffing "qualified" professionals to facilitate these services. As CVC of Arkansas began to recognize how this was impacting some of the smaller financial institutions in Northwest Arkansas, they decided to launch their business in February of 2013. For more information, you can visit their website at [www.cvcofarkansas.com](http://www.cvcofarkansas.com).

Daniel Hintz, owner and principal of The Velocity Group, is relentlessly focused on creating remarkable experiences by helping clients cultivate, launch and fuel the best in ideas, businesses and communities. With particular emphasis on developing the brand, business and experience of place, The Velocity Group helps uncover a client's unique story, align existing assets and plans, and activate the Theatre of Cool™ that drives consumer buzz.





# THE DOWNTOWN ROGERS INITIATIVE

Focusing on regional economic development and local quality of life, Rogers has initiated a downtown planning and redevelopment process. Rogers retained a team led by Gateway Planning Group to undertake the initiative in cooperation with key local and regional partners.

## Goals of the initiative include:

- Identifying and building on the authentic drivers of downtown to build on its history
- Activating urban spaces for people to recreate and families to gather
- Creating synergy among the historic fabric of downtown and opportunities for new development in a modern context
- Making meaningful connections from Downtown to Lake Atalanta
- Taking advantage of investments in Walnut Street from IH 49 to Downtown
- Attracting millennials, quality retail, jobs and more investment generally
- Expanding housing choice
- Maintaining and supporting the desirability of the adjacent neighborhoods

future. In addition, an infrastructure strategy and zoning aligned with the new plan will provide the market with an predictable path to undertake quality development.

This Dashboard and the related market study by Gateway team member, Catalyst Commercial, provide the underpinnings of market capacity and potential so that the Downtown Initiative remains relevant and vital over time.

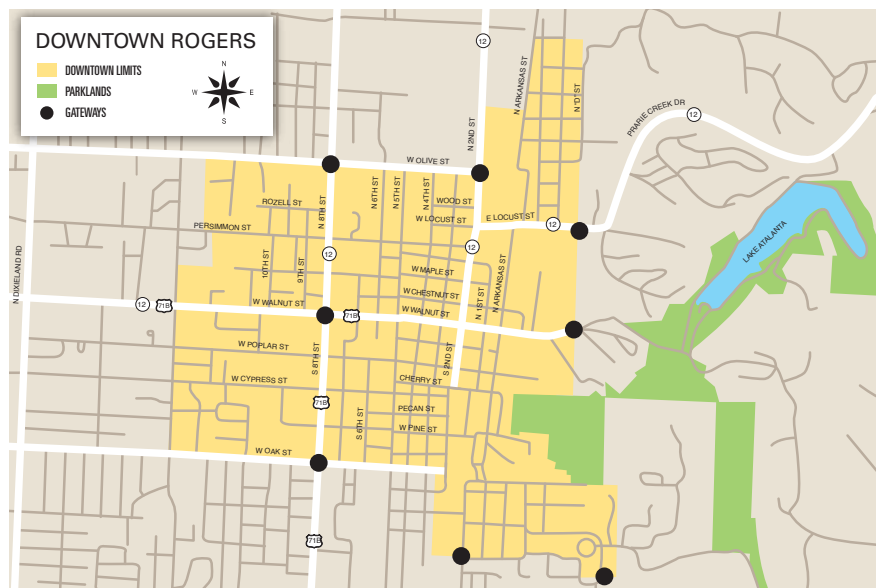
## The Gateway Planning Team

**Gateway Planning Group** ([www.gatewayplanning.com](http://www.gatewayplanning.com)) is a town planning and transportation consulting firm led by Scott Polikov. Scott's team combines the disciplines of town planning, urban design, public-private finance and community facilitation, focusing first and foremost on implementation. Gateway Planning is known for its results, especially in terms of value capture.

**Velocity** ([www.culturalvelocity.com](http://www.culturalvelocity.com)) joins the Gateway Team to provide guidance on the experience of Downtown. As Daniel Hintz of Velocity says, "how can we bring the theater of cool to Rogers, a place that offers a real stage of life." The focus on the dashboard and affiliation with the Northwest Arkansas Council enables Velocity to be the team conduit between good planning and real activation.

**Catalyst Commercial** ([www.catalystcommercial.net](http://www.catalystcommercial.net)) is a commercial real estate consulting firm specializing in public and private real estate solutions. Led by Jason Claunch, the Catalyst team is experienced in working with both private and public entities in developing and implementing economic development initiatives from comprehensive market analysis to the identification and procurement of best fit retail operators.

**Newmark Grubb Arkansas** ([www.ngaarkansas.com](http://www.ngaarkansas.com)) is a locally-owned affiliate of Newmark Grubb Knight Frank, one of the leading commercial real estate advisory firms. Greg Nabholtz of Newmark Grubb Arkansas serves on the team to provide guidance on a comprehensive development strategy for Downtown Rogers as he has been doing for Argenta, the downtown of North Little Rock.



Guided by the strong support of Mayor Greg Hines and the City Staff, this initiative encompasses three phases: (i) assessment/discovery, (ii) design and (iii) implementation. The work will result in a block and building-scale master plan with public spaces and key destinations highlighted so that the community and market benefit from a shared vision of Downtown today and in the

**Edward Spivey** is a real estate consultant based in the Baltimore/Washington D.C. region. He works closely with private developers and public development officials on ways to catalyze real estate development projects creatively through meaningful partnerships. Mr. Spivey grew up in Rogers and still has family in town, providing the team with community insight that transcends the typical consulting capacity.

# MUNICIPAL INVESTMENT (2005-2008)

Overlaid various streets including Poplar from 2nd to 8th Street.

Installed a skate park and spray ground at the activity center.

Upgraded and rehabilitated Rogers Little Theatre.

Made various major drainage improvements to alleviate flooding, including a project along North Street.



2005

2006

2007

2008

2009



Restored brick streets along Walnut St.

Rebuilt eight intersections downtown, accentuating them with landscaping and patterned concrete.



# MUNICIPAL INVESTMENT (2009-2015)



Improved several streets with new curb and gutter, including C Street from Walnut St. north to Union St.		Purchased over 100 acres to add to the existing Lake Atalanta Park.		Initiated the redesign of Lake Atalanta	
2010	2011	2012	2013	2014	2015
Installed decorative street lights downtown. Started realignment/ rebuild of Monte Ne.		Built approx. 7 miles of trails around Lake Atalanta and newly purchased property.  Designed and started construction on a world class bike park near Lake Atalanta.			



# DOWNTOWN RETAIL MARKET

## HIGHLIGHTS

- Rogers Downtown reported over 75% increase in 2013 compared to 2012 in consumer spending within its downtown to \$155.9 million. As businesses continue to open and locate with this historic downtown, consumers appear to be supporting these businesses.
- Demand from existing residents also increased in 2013 by 16.7% to \$58 million resulting in an Opportunity Surplus for new businesses of an estimated \$97 million in new sales revenue.
- These positive trends in retail in 2013 for Rogers ranks as second highest in actual Surplus at \$97.9 million (Bentonville \$129.49 million) and second in percentage gain of 59.3% (Fayetteville 91.04%) compared with all other downtowns cities in Northwest Arkansas.

## Retail Sales (SUPPLY)

The amount of actual retail sales attributed to consumers who spent money WITHIN the downtown Rogers study area.

(\$ Millions)	2012	2013	Increase
	79.9	155.9	76 (95.1%)

## Consumer Expenditures (DEMAND)

The amount of actual retail sales of ONLY residents within the downtown Rogers area.

	2012	2013	Increase
	41.3	58.0	16.7 (40.4%)

## Opportunity Surplus

The difference between Retail Sales and Consumer Expenditures reflects essentially sales from **consumers living outside** of downtown Rogers study area. This Surplus reflects an opportunity for more retail shops to satisfy the surplus supply of consumers.

	2012	2013	Increase
	38.5	97.9	59.3 (59.4%)

## Downtown Rogers Retail Market

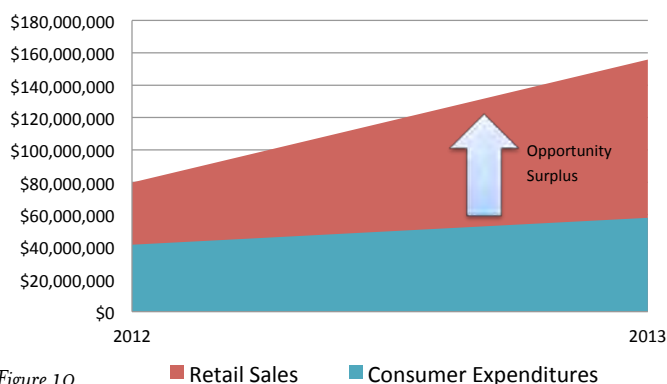


Figure 10

■ Retail Sales ■ Consumer Expenditures

"The energy in downtown Rogers is real and appears to be propelling commercial and residential activity. The confidence is provided by strong public leadership to push the planning process coupled with new investment into core historic commercial districts. The next several years appear promising for substantial growth and investment."

- Paul Esterer  
Newmark Grubb Arkansas

## Downtown Rogers Retailers 8/2014

AA Vac Center  
 Advantage Tire & Wheel  
 Al McCarty Jewelers  
 Alternique  
 American Fireplaces & Grills  
 Ball & Prier Tire  
 Best Sports  
 Blackbird Wool & Collectibles  
 Blue Chair Furniture Consignment  
 CaddiesShack  
 Carriage Works Antiques  
 Chuck's Scooters & Used Cars  
 Cook's Natural Foods  
 Cottage at the Barn Antique Store  
 Daisy Airgun Museum Store  
 Disturbed Skate Shop  
 Dollar Saver  
 Drapery Town  
 E&J Auto Sales  
 Edwards Optical  
 Favorite Tuxedos  
 Fontana's Fruit & Vegetable Market  
 Garner Building Supply  
 Golden's Designer Jewelry & Gun  
 Engraving  
 Holland's Advanced Automotive  
 Holy Orders Liturgical Threads  
 Hook Line & Sinkers  
 Jiffy Kwik  
 Knucklehead Skate Shop  
 Laney Business Machines  
 Las Americas Supermercado  
 Morter Health Corner  
 Northwest Automotive, Inc.  
 Poor Richard's Art Gallery  
 Quality Pet Supplies  
 Red Door Vintage  
 Rogers Farmers' Market  
 Rogers Historical Museum Gift Shop  
 Sapphire Loft  
 Showcase Trophy & Awards  
 Somewhere in Time Antique Mall  
 Stop N Shop  
 Supermercado La Villita  
 Take A Bow  
 The Box Barn  
 The Frame Shoppe  
 The Friendly Bookstore  
 The Rabbit's Lair  
 The Rusty Chair  
 Trader's Market  
 Trolley Line Books  
 Valere Rene Handbags  
 Vintage Antiques  
 White Dress Boutique  
 White River Gallery  
 White's Jewelry & Estates  
 Wisteria Lane  
 Women's Pavilion



# DOWNTOWN OFFICE MARKET

## HIGHLIGHTS

- In 2009, the aggregate vacancy rate for all commercial space within the Downtown Rogers district was around 11% with the most vacancy taking place in the office sector.
- In 2010, the aggregate vacancy rate for all commercial space within the Downtown Rogers district was approx. 12%, with absorption of all of the vacant industrial space.
- In 2011, the aggregate vacancy rate for all commercial space within the Downtown Rogers district improved to approximately 8%. The office sector made significant gains during the 2011 calendar year with an additional 28,000 square feet added.
- In 2012, the aggregate vacancy rate for all commercial space within the Downtown Rogers district was around 7% with the office sector still contributing the most vacant space. Estimated vacancy rates for the retail sector in 2012 was around 5%.
- In 2013, the aggregate vacancy rate for all commercial space within the Downtown Rogers district remained at 7%. Since 2009, the total amount of commercial space added to the district was just above 300,000 square feet.
- As indicated above, the City of Rogers currently contains about 21% of all available office space in the Northwest Arkansas market area. It ranks 3rd of the 7 cities that were surveyed in 2013.

“The Rogers downtown commercial real estate market has maintained steady occupancy over the last several years while adding significant office and retail space. Industrial space has all been absorbed. Continued rehab of historic space and reutilization of existing buildings seems to be the greatest opportunity until cost of new construction is affordable.”

– Aaron Dunn  
CVC

## Office Space – Northwest Arkansas

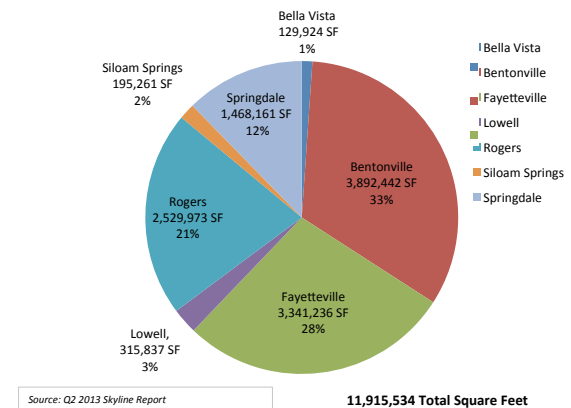


Figure 1

## Office Space – City of Rogers

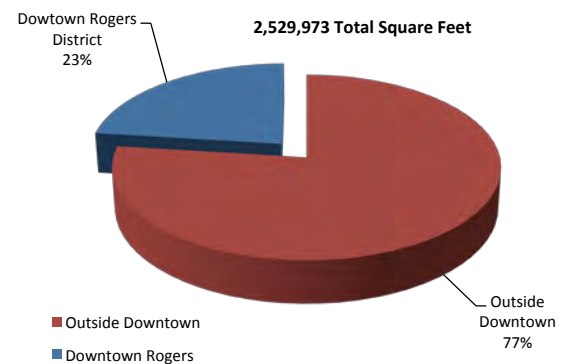


Figure 2

## Downtown Rogers – Commercial Market

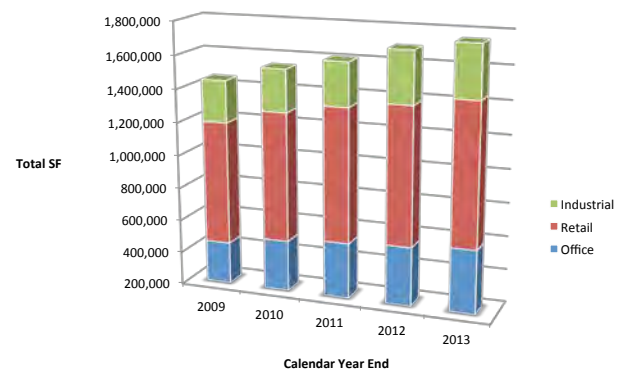


Figure 3

# DOWNTOWN RESIDENTIAL MARKET

## HIGHLIGHTS

- Residential prices are down over 24.5% from their high in 2008 of \$65.44/sf; however, over the last three years, prices have rebounded sharply to \$49.41/sf in 2013.
- Demand appears to be gaining in 2013 based on the increase in number of transactions, days on the market lowering, and improvement on Sales to List Ratio.
- Average home prices in 2013 are just below \$77,000, which is up over \$30,000/unit in three years.

## DOWNTOWN ROGERS RESIDENTIAL STATISTICS

2008	BEDROOMS	FULL BATHS	LIST PRICE	SQUARE FOOTAGE	LIST PRICE/SF	SALES PRICE	SALES PRICE/SF	SALES PRICE/LIST PRICE RATIO	DAYS ON MARKET	2008 KEY INDICATORS	
HIGH	5	3	\$229,240	2,813	\$110.00	\$219,000	\$109.98	110.35%	802	\$99,494	AVERAGE LIST PRICE
LOW	2	1	\$34,900	744	\$31.93	\$28,000	\$25.62	48.65%	7	\$94,888	AVERAGE SALES PRICE
AVERAGE	3	1	\$99,494	1,402	\$69.10	\$94,888	\$65.44	94.12%	148	\$65.44	AVERAGE SALE PRICE PER SF
MEDIAN	3	1	\$79,450	1,294	\$63.70	\$75,500	\$64.79	97.96%	111	94.12%	AVERAGE SP/LP RATIO
36 Total Properties									148	AVERAGE DAYS ON MARKET	

2013	BEDROOMS	FULL BATHS	LIST PRICE	SQUARE FOOTAGE	LIST PRICE/SF	SALES PRICE	SALES PRICE/SF	SALES PRICE/LIST PRICE RATIO	DAYS ON MARKET	2013 KEY INDICATORS	
HIGH	7	3	\$495,000	4,509	\$109.78	\$454,100	\$100.71	109.60%	957	\$80,481	AVERAGE LIST PRICE
LOW	1	1	\$23,000	780	\$16.67	\$22,000	\$16.67	73.20%	6	\$76,185	AVERAGE SALES PRICE
AVERAGE	3	2	\$80,481	1,497	\$51.90	\$76,185	\$49.41	95.44%	131	\$49.41	AVERAGE SALE PRICE PER SF
MEDIAN	3	2	\$70,000	1,436	\$48.54	\$67,000	\$46.99	95.40%	92	95.44%	AVERAGE SP/LP RATIO
51 Total Properties									131	AVERAGE DAYS ON MARKET	

Figure 5





# DOWNTOWN RESIDENTIAL MARKET

Downtown Rogers - Prices (Residential)

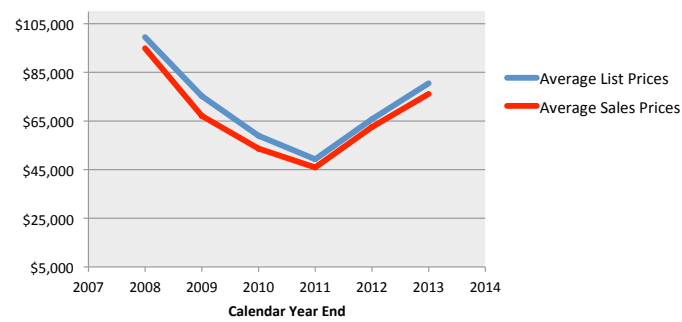


Figure 6

Downtown Rogers - Days on Market (Residential)

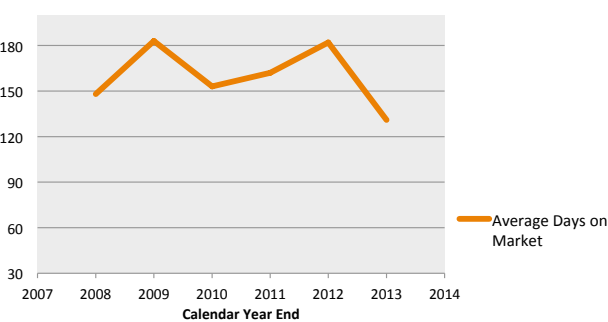


Figure 7

Downtown Rogers - Ratios (Residential)

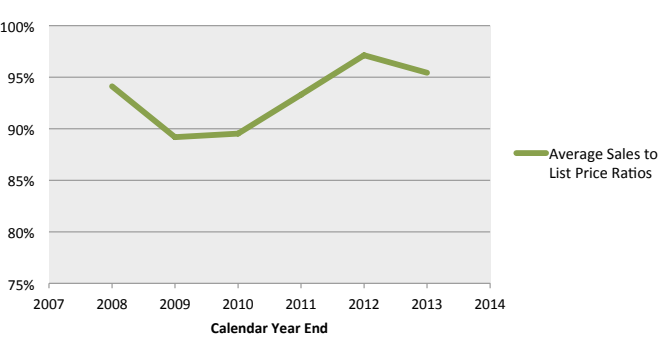


Figure 8

Downtown Rogers - Price per Foot (Residential)

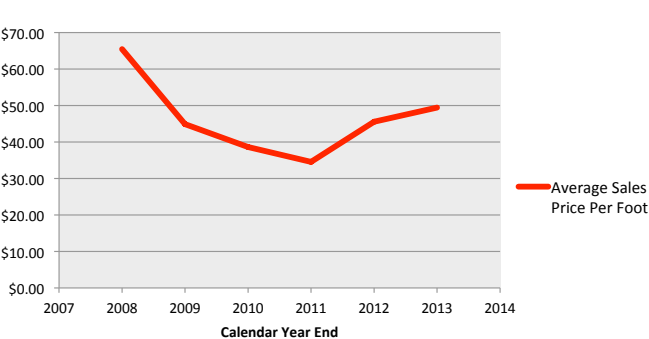


Figure 9





# CULINARY & RESTAURANTS

## Downtown Rogers Restaurants 8/2014

Acambaro  
Brick Street Brews  
Club Frisco  
Cook's Natural Foods  
Havana Tropical Grill  
Heirloom Food + Wine  
Iron Horse Coffee Company  
Kimo's Taste of Thai  
Kirby's Kupcakes  
Las Palmas  
Lucy's Diner  
Marion's Donuts  
Mister B's Steakhouse  
Ozark Beer Company  
Parkside Public (opening November 2014)  
Sam's Old Tyme Hamburgers  
Smokin' Joe's Ribhouse  
Susie Q Malt Shop  
The Rail – A Pizza Company  
Totilleria La Popular  
Victoria's Café & Bistro  
Wasabi  
Wesner's Grill





